

Executive Summary Backgrounder

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How “No Child Left Behind” Threatens Florida’s Successful Education Reforms

Matthew Ladner, Ph.D., and Dan Lips

For decades, federal policymakers have tried to implement education reforms to improve opportunities for disadvantaged students and ethnic-minority children. Since 2001, the focus of federal policy has been the No Child Left Behind (NCLB) legislation—which increased federal funding for K–12 education programs and created new academic requirements for states and public schools that receive federal assistance.

The focus of the sweeping federal law was accountability reforms that required states to set state-level academic standards, test students annually, and demonstrate that a growing population of students was scoring “proficient” on state exams. Schools that failed to meet state benchmarks are required to implement a series of reforms intended to provide better learning opportunities for students in danger of falling behind in low-performing schools.

After seven years, evidence suggests that No Child Left Behind, like previous federal interventions, has failed to yield meaningful improvements in students’ learning. NCLB has also highlighted the limits and unintended consequences of federal intervention.

As the 111th Congress considers the reauthorization of NCLB, federal policymakers should review this experience and examine other strategies for improving opportunities for disadvantaged students and ethnic-minority children. One approach is to give states and local policymakers greater

authority to direct public education in their jurisdictions.

Florida’s experience with implementing aggressive education reforms over the past decade suggests that states *can* improve student learning. Before No Child Left Behind was enacted, Florida implemented reforms to establish academic standards, test students annually in core subjects, measure student progress, and hold public schools and students accountable for results. These systemic reforms also included creating new public and private school-choice options, implementing instructional reforms and intervention strategies to improve learning in core subjects, and enacting new strategies designed to hire and retain effective school teachers.

After these education reforms were implemented, Florida’s students made dramatic progress on the annual National Assessment of Educational Progress. The percentage of students who scored “basic” or above on the fourth-grade reading exam increased by 32 percent between 1998 and 2007, and these gains did not come at the expense of high-achieving students. The percentage of Florida

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fourth-graders who scored “proficient” or better improved by 54 percent, and the number who scored “advanced” (the highest level) increased by 100 percent.

The greatest gains have been made by Hispanic and black children. After a decade of strong progress, Florida’s Hispanic students now outscore the statewide averages for *all students* in Alabama, Alaska, Arizona, Arkansas, California, Hawaii, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Tennessee, and West Virginia on the 2007 fourth-grade reading test. Florida’s black students exceeded the statewide averages for all students in Louisiana and Mississippi on the same exam, and are within striking distance of overtaking several other statewide averages.

Florida’s experience demonstrates that states can succeed in implementing reforms that result in significant improvement in student learning. Florida’s successful reforms, however, are threatened by perverse incentives created by the No Child Left Behind Act. Since NCLB requires states to demonstrate that all students achieve proficiency on state exams by 2014, Florida and other states have an incentive to lower academic standards or make their tests easier to pass by lowering the “pass” thresholds in order to demonstrate artificial progress and avoid labeling schools as failing and implementing required reforms. A review of states’ academic standards over time suggests a national trend of states lowering academic standards.

As policymakers review No Child Left Behind, Congress and the Obama Administration should recognize three important lessons:

1. Like previous federal interventions, No Child Left Behind has failed to deliver meaningful improvement in student learning.
2. Florida’s experience demonstrates the opportunity for state-directed education reform.
3. NCLB’s accountability regulations threaten to undermine state accountability reforms.

Given these lessons, Members of Congress and state policymakers should re-evaluate federal and state governments’ current approach to improving public education. At the federal level, Congress and the incoming Administration should limit federal policymaking authority and transfer greater power back to the state and local levels—and they should end perverse incentives for states to weaken state standards. State policymakers should learn from Florida’s success and implement systemic education reform to hold schools and students accountable for results, expand parental choice, and improve school and teacher effectiveness. This combination of federal and state education policies can spur meaningful improvement for children across the country.

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For decades, federal policymakers have tried to implement education reforms to improve opportunities for disadvantaged students and ethnic-minority children. Since 2001, the focus of federal policy has been the No Child Left Behind (NCLB) legislation—which increased federal funding for K-12 education programs and created new academic requirements for states and public schools that receive federal assistance.

NCLB established new requirements for states to set educational standards, test students annually on core subjects, and to implement reforms in public schools that fail to demonstrate adequate progress on state tests. The combination of testing and reform interventions was intended to provide better learning opportunities for students in danger of falling behind in low-performing schools.

After seven years, evidence suggests that No Child Left Behind, like previous federal interventions, has failed to yield meaningful improvements in students’ learning. NCLB has also highlighted the limits and unintended consequences of federal intervention.

As the 111th Congress considers the reauthorization of NCLB, federal policymakers should review this experience and examine other strategies for improving opportunities for disadvantaged students and ethnic-minority children. One approach is to give states and local policymakers greater authority to direct public education in their jurisdictions.

Florida’s experience with implementing aggressive education reforms over the past decade suggests that

Talking Points

- Like previous federal education initiatives, No Child Left Behind (NCLB), which increased federal authority over schools, has failed to deliver meaningful improvement in America’s public education.
- NCLB’s requirement for universal proficiency has created a perverse incentive for states to lower standards in order to avoid federal sanctions.
- Florida’s experience over the past decade shows that state-level education reforms can deliver meaningful improvement.
- Since 1998, Florida has enacted sweeping reforms to hold schools and students accountable for results, expand school choice, improve curriculum and instruction, and strengthen teacher quality and effectiveness. The result has been dramatic improvement on the National Assessment of Educational Progress, with the greatest gains made by Hispanic and black students.
- Policymakers should recognize the limits and dangers of increasing federal authority in education as well as the promise of greater state independence when state leaders commit to serious reform.

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states can improve student learning. Before No Child Left Behind was enacted, Florida implemented reforms to establish academic standards, test students annually in core subjects, measure student progress, and hold public schools and students accountable for results. These systemic reforms also included creating new public and private school-choice options, implementing instructional reforms and intervention strategies to improve learning in core subjects, and enacting new strategies designed to hire and retain effective school teachers.

After implementing these education reforms, Florida's students have made dramatic progress on the annual National Assessment of Educational Progress (NAEP). The percentage of students who scored "basic" or above on the fourth-grade reading exam increased by 32 percent between 1998 and 2007, and these gains did not come at the expense of high-achieving students. The percentage of Florida fourth-graders who scored "proficient" or better improved by 54 percent, and the number who scored "advanced" (the highest level) increased by 100 percent.¹

The greatest gains have been made by Hispanic and black children. After a decade of strong progress, Florida's Hispanic students now outscore the statewide averages for all students in Alaska, Arizona, California, Hawaii, Louisiana, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Tennessee, and West Virginia on the 2007 4th-grade reading test.² Florida's black students exceeded the statewide averages for all students in Louisiana and Mississippi on the same exam, and are within striking distance of overtaking several other statewide averages.³

This paper reviews nationwide education reforms under No Child Left Behind and state reforms in Florida—comparing federal and state results. The paper examines the danger that federal

regulations and incentives pose to testing and accountability systems in Florida and every other state. The limits of No Child Left Behind and the promise of Florida's success suggest that federal policies that give states greater authority to direct education reform hold promise for improving education when states and citizens commit to effective reforms.

No Child Left Behind: The Background

The 111th Congress is scheduled to consider the ninth reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA). For four decades, the federal government has been providing funding grants to states through ESEA programs in an effort to improve public education in America.

In 2002, President George W. Bush signed legislation reauthorizing ESEA, renaming it "No Child Left Behind." NCLB was the product of a bipartisan compromise between the Bush Administration and leading congressional Democrats.⁴ The Administration sought to reform ESEA by introducing new standards and accountability reforms that were inspired by the new President's experience as governor of Texas. The Administration sought support from leading congressional Democrats by expanding the federal funding for and authority over education. As the legislation was developed on Capitol Hill, core components of the Administration's original proposal—including measures such as private-school choice and expanded flexibility for states—were stripped from the legislation.

The final package was the 1,100-page NCLB that gave the federal government new powers to regulate public education while significantly increasing funding authorizations for federal education programs.

The centerpiece of NCLB is a set of student testing and accountability requirements that were

1. U.S. Department of Education, National Center for Education Statistics, "Florida State Profile," at <http://nces.ed.gov/nationsreportcard/states/profile.asp> (December 18, 2008).
2. U.S. Department of Education, National Center for Education Statistics, National Assessment of Educational Progress, NAEP Data Explorer, at <http://nces.ed.gov/nationsreportcard/naepdata/> (December 8, 2008).
3. *Ibid.*
4. Andrew Rudalevige, "The Politics of No Child Left Behind," *Education Next*, Vol. 3, No. 4 (Fall 2003), at <http://www.hoover.org/publications/ednext/3346601.html> (December 19, 2008).

designed to put all students on course to achieve proficiency on state examinations by 2014. To meet that objective, NCLB extended the Department of Education's reach into school administrations. The law requires states to test students annually in grades three through eight, and once between grades 10 and 12 and to report student performance (including disaggregated scores for student subgroups). Schools are measured based on their progress in increasing the number of students who score "proficient" or "adequate yearly progress" (AYP) on state assessments. Schools that fail to meet AYP goals are subject to a series of interventions and reforms, including school restructuring and offering enrolled students after-school tutoring and the option to transfer to another public school.

NCLB Seven Years Later: The Consequences of Federal Intervention

As Congress considers reauthorization of No Child Left Behind, policymakers should review the seven-year experience with the law. Following are the principal lessons that should be drawn from this experience:

The Costs of Expanded Federal Authority.

While the federal government provides only 9 percent of the funding for public education, NCLB greatly expanded its policymaking authority by overseeing education governance at the state and local levels. NCLB gave the federal government the power to regulate policies that had previously been the purview of governors, state legislators, and local leaders—ranging from school teachers' expected qualifications to the types of test assessments that must be administered to students in certain grades.

This new federal authority has imposed significant costs on states. First, greater federal authority has stripped states of considerable autonomy in

school governance. Second, expanded federal regulations significantly increased the resources that must be allocated by state and local governments simply to comply with federal requirements.⁵

Unintended Consequences. NCLB is designed to improve public school accountability and academic transparency, but it may be having the opposite effect. NCLB requires states to test students annually and created a menu of penalties for schools that fail to demonstrate progress on state exams. States must measure up against a benchmark that rises every year so that all students score "proficient" on state tests by 2014. States establish the content standards and pass/fail thresholds of these tests.

The interaction of these policies has created an incentive for states to lower testing standards in order to avoid federal sanctions. Researchers have reported a pattern whereby states lower passing thresholds and otherwise "dumb down" assessments to boost proficiency scores and avoid federal sanctions under NCLB.⁶ Absent a change in NCLB, the pressure on states to lower their standards will increase as the 2014 deadline approaches. The result could be less transparency for schools' actual performance.

The Limits of Federal Intervention. The past seven years have also highlighted the limits of the federal government's power to force states to implement various interventions—especially interventions meant to empower parents, not public school bureaucracy. For example, less than 1 percent of students in lower performing schools who were eligible to transfer to an alternative public school benefited from public school choice in 2004–2005.⁷ Less than 19 percent benefited from the limited-choice option of supplemental educational services.⁸

Evidence suggests that poor implementation by school districts has contributed to the low student

5. For example, the Office of Management and Budget reports that NCLB increased the cost of complying with federal program requirements by 6.7 million hours annually, or by \$141 million. See Dan Lips and Evan Feinberg, "The Administrative Burden of No Child Left Behind," Heritage Foundation WebMemo No. 1406, March 23, 2007, at http://www.heritage.org/Research/Education/upload/wm_1406.pdf.
6. For more information, see Eugene Hickok and Matthew Ladner, "Reauthorization of No Child Left Behind: Federal Management or Citizen Ownership of K–12 Education?" Heritage Foundation Backgrounder No. 2047, June 27, 2007, at <http://www.heritage.org/research/education/bg2047.cfm>.

participation. The Department of Education reports that a survey of parents in eight school districts found that only 27 percent of the parents of eligible students were notified of the public-school transfer option. Among those who were notified, the information often arrived after the school year had started and, in some cases, included language that was confusing or even discouraged parents from taking advantage of the transfer option.⁹

Beyond parent-centered reforms, other strategies promoted by NCLB appear to also have a limited impact. While NCLB sought to improve teacher effectiveness by requiring that instruction be grounded in research-based methods through the Reading First program, a 2008 Department of Education study evaluating Reading First found that the program had not produced a statistically significant improvement in reading-comprehension test scores.¹⁰

Federal Funds for Education Spent Inefficiently. Since the passage of NCLB, the federal government's budget for the Department of Education has continued to fund programs that are ineffective or unnecessary. The Bush Administration recognized that there was ample room for savings: Its budget request for 2009 included a proposal to terminate 47 programs identified for elimination through the federal government's Program Assessment Rating Tool. The projected budget savings from terminating these programs was approximately \$3.3 billion.¹¹ As of the publication of this paper, these programs have not been terminated.

Modest National Improvement in Student Learning. On the National Assessment of Educational Progress, American students have made mod-

est advances in fourth- and eighth-grade reading and math. In mathematics, there has been some progress since the early 1990s, but dividing that period into a pre-NCLB era (1990 to 2003) and post-NCLB era (2003 to 2007) shows very similar rates of gradual improvement in each. Modest progress was made in fourth-grade reading during the post-NCLB era, but nationwide eighth-grade reading scores have been perfectly flat since NCLB was enacted.

Some supporters of NCLB may contend that NCLB is responsible for the modest improvements that have occurred over the past seven years. But the gradual improvement that American students have been making since the early 1990s suggests that it is just as likely that we are seeing an unrelated trend of modest improvement. Moreover, any recent gains in student test scores could obviously be due to other factors including state, not federal, reforms.

In Florida, the significant education reforms to increase school accountability and parental choice began years before No Child Left Behind. This suggests that academic progress should be attributed to state reform efforts rather than No Child Left Behind. NAEP data, in fact, demonstrate that the change in the trend line for Florida's scores occurred between 1998 and 2002. If any of the improvement after 2002 could be attributed to NCLB, the question arises: Why so little progress in other states?

Florida: A Decade of K-12 Education Reforms

In 1999, Florida Governor Jeb Bush entered office promising to implement a series of aggressive education reforms if elected. Governor Bush imme-

7. Author calculations derived from the U.S. Department of Education, National Center for Education Evaluation and Regional Assistance, "National Assessment of Title I: Final Report," NCEE 2008-4012, October 2007, at http://ies.ed.gov/ncee/pdfs/20084012_rev.pdf (December 18, 2008).
8. *Ibid.*
9. *Ibid.*
10. U.S. Department of Education, National Center for Educational Evaluation and Regional Assistance, *Reading First Impact Study: Final Report*, NCEE 2009-4039, November 2008, at <http://ies.ed.gov/ncee/pdfs/20094039.pdf> (December 18, 2008).
11. Many of these proposed programs for termination are authorized through the NCLB legislation. For more information, see U.S. Department of Education, "Fiscal Year 2009 Budget Summary—February 4, 2008," at <http://www.ed.gov/about/overview/budget/budget09/summary/edlite-section3.html> (December 18, 2008).

diately pursued a dual-track strategy of education reform: standards and accountability for public schools, and new choice options for students to improve learning opportunities. In the years that followed, these reforms were complemented by additional reforms, including instruction-based reforms, the curtailing of social promotion for students who fail to master grade-level work, and new strategies for hiring and compensating effective public school teachers. The following is an overview of Florida's sweeping education reforms:¹²

Academic Standards and Testing. The foundation of Florida's K-12 education reforms was the 1999 "A+ Accountability Plan," which required that students in grades three through 10 be tested annually in reading and math through the Florida Comprehensive Assessment Test (FCAT). The FCAT incorporated both norm-referenced and criterion-referenced measures. Together, these measures evaluate a student's performance compared to peers across the nation and compared to state standards. This system was developed to allow the tracking of students' progress each year.

Holding Schools and Students Accountable. The state also created a new accountability system based on FCAT. Both schools and students were held accountable for their performance. Annual state report cards ranked public schools on a scale from A to F based on students' performance each year. Schools that earned high marks received funding bonuses and greater autonomy. The state required schools that received an F twice in a four-year period to implement state-sanctioned reforms. Students were also held accountable for their performance: The A+ Plan ended social promotion by

requiring that students pass the FCAT before moving on to fourth grade. Remedial instruction was provided to students who were denied promotion.

School-Choice Options. The A+ Plan also established new school choice options for families. Students attending any school with two F's in four years became eligible to receive vouchers to attend another school, public or private. This program would later be ended by a Florida state Supreme Court decision. But Florida created a broad range of public or private school options during this period:

- **Private school choice:** Since 2000, Florida has offered private-school tuition scholarships to children with disabilities through the McKay Scholarship program. During the 2007-2008 school year, 19,852 students received scholarship through the McKay program.¹³ The average scholarship amount was \$7,295.¹⁴ Since 2001, Florida has also offered corporations a dollar-for-dollar tax credit for contributions to non-profit groups that fund private school scholarships for disadvantaged children. During 2007-2008, 21,493 students received scholarships worth an average of \$3,750.¹⁵
- **Charter schools:** Florida has one of the strongest charter-school laws in the nation. Charter schools are publicly funded schools that agree to meet certain performance standards required by their charter agreement. They are otherwise free of the rules and regulations that govern public schools. Thus, charter schools offer families a choice within the public school system. In the 2007-2008 academic year, 105,329 students were enrolled in the state's 358 public charter schools.¹⁶

12. For a detailed overview of the Florida's education reforms, see Dan Lips and Matthew Ladner, "Demography Defeated: Florida's K-12 Reforms and Their Lessons for the Nation," Goldwater Institute Policy Report No. 227, The Goldwater Institute, September 30, 2008, at <http://www.goldwaterinstitute.org/Common/Img/Demography%20Defeated.pdf> (December 19, 2008).

13. Florida Department of Education, Office of Independent Education and Parental Choice, "John M. McKay Scholarships for Students with Disabilities Program," August 2008, at http://www.floridaschoolchoice.org/Information/McKay/files/Fast_Facts_McKay.pdf (December 19, 2008).

14. *Ibid.*

15. Florida Department of Education, Office of Independent Education and Parental Choice, "Corporate Scholarship Tax Credit Program," August 2008, at http://www.floridaschoolchoice.org/Information/CTC/files/ctc_fast_facts.pdf (December 19, 2008).

16. Florida Department of Education, Office of Independent Education and Parental Choice, "Florida's Charter Schools," August 2008, at http://www.floridaschoolchoice.org/information/charter_schools/files/fast_facts_charter_schools.pdf (December 19, 2008).

- **Virtual education:** Florida offers students the ability to learn online through virtual education. The state-funded Florida Virtual School currently offers more than 90 courses (ranging from GED to Advanced Placement Courses). Middle and high school students anywhere in Florida can participate in these courses for free. The state projects that 134,400 courses will be completed during the 2008–2009 school year.¹⁷

Curriculum and Instructional Reform. A major focus of Florida's curriculum reforms over the past decade has been on improving reading instruction. In 2002, the state implemented "Just Read, Florida" to improve reading instruction. This initiative included a program to create new reading academies to train teachers in reading instruction and hire 2,000 reading coaches in public schools across the state. Students in grades six through 12 who demonstrated insufficient reading skills received remedial instruction.

Hiring and Compensating Effective Teachers. Teacher quality is a leading factor affecting student performance. Over the past decade, Florida enacted new policies for attracting and rewarding high-quality teachers. First, Florida established policies to allow alternative paths to teacher certification to attract teachers to the classroom who otherwise would not consider teaching as a profession, given the barriers created by teacher-certification requirements. The state opened "Educator Preparation Institutes" to facilitate the transition to teaching. School districts are also allowed to offer their own forms of alternative certification. Today, about half of all new teachers in Florida are coming to the profession through alternative certification programs.

Florida also offers performance pay for teachers. In 2007, Florida's performance-pay system offered a total of \$147 million in state aid to school districts to pay performance bonuses to teachers. Bonuses can reach up to 10 percent of a teacher's pay. Through this program, schools are awarded funds to provide bonuses to personnel who contribute to measurable improvement in students' academic achievement.

An example of this performance-pay approach was a program to encourage greater participation in Advanced Placement (AP) classes. Governor Jeb Bush pushed the One Florida Initiative, which sought to replace race-based affirmative action with more effective instruction: better preparation instead of lowered standards. The results have been impressive. Working in partnership with the College Board beginning in the year 2000, One Florida sought to increase the academic achievement of Florida's students, who are particularly underrepresented in Florida's universities. The comprehensive plan included professional development for teachers and counselors and free Pre-SAT exams for students. Florida officials created AP Potential—a Web-based tool to identify promising students for AP coursework.

The program relied heavily on incentives, creating an AP Teacher Bonus of \$50 for every passing score per student, up to \$2,000 per year, and paying the school an additional bonus of \$650 per student who passes an AP exam. Florida officials worded this bonus in the funding formula very precisely so that it is paid to the individual school, not to the school district.

Florida's A+ reform plan assigns letter grades to schools based on student performance. The One Florida plan provided an additional school bonus of \$500 per student attending a D- or F-rated school that passes an AP exam. The idea was to set high expectations and to reward success. The National Math and Science Initiative recently collected data on the number of students who pass AP exams, broken down by ethnicity. Florida leads the nation in Hispanics, and does so at a rate nearly 8 times greater than that of the lowest performer (Arizona).

Do schools respond to incentives? The evidence speaks for itself: Between 1999 and 2007, the number of Florida students that passed AP tests increased by 154 percent. Meanwhile, the number of Hispanic and black students in Florida that passed an AP exam more than tripled.

17. Florida Department of Education, Office of Independent Education and Parental Choice, "Florida Virtual School," August 2008, at http://www.floridaschoolchoice.org/Information/virtual_schools/files/Virtual_Fast_Facts.pdf (December 19, 2008).

The Results: Florida's Academic Success

Beyond these remarkable gains in AP achievement rates, Florida students have made remarkable progress since 1998. One critical measure of student learning is fourth-grade reading scores. Early childhood literacy represents the foundation for all subsequent learning. Students who do not learn to read in the early grades tend to fall farther and farther behind each passing year. Literally unable to comprehend their middle school textbooks, these students often become disruptive and drop out of school as early as the 8th grade. Chart 1 demonstrates the progress made by Florida fourth-grade students on the National Assessment of Educational Progress (NAEP) exam between 1998 and 2007.

An analysis of NAEP test scores over the past decade shows that Florida's fourth- and eighth-grade students have made greater progress than the national average. Florida's greatest progress has been made by ethnic-minority children.

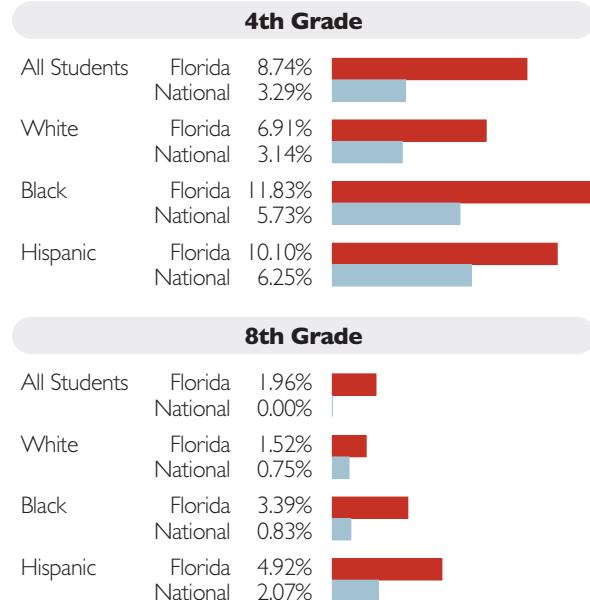
For fourth-grade reading, Florida's gains were more than twice as large as the national average. (See Chart 2.) Although eighth-grade reading improvements were more difficult to achieve for both Florida and the nation, Florida's eighth-grade reading gains were more than twice as large as the national average for whites, more than eight times larger than the national average for black students, and about three times larger for Hispanics. (See Chart 3.) Florida's students also produced above-average gains in both fourth- and eighth-grade math.

Florida vs. Other States. The scope of Florida's progress becomes clear by comparing its students' performance on the NAEP exam with that of children in other states. For example, Chart 4 compares the performance of students in Florida with students in California. As the chart demonstrates, Florida's low-income students now outperform the statewide average of all students in California.

In 1998, Florida's low-income students were far behind California's statewide average. This was not unexpected, given what is known about student demographics and educational performance. The entire sample of fourth-grade students is contained

Reading Improvement

Percentage Increase in NAEP Reading Scores, 1998–2007



Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer; at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).

Chart I • B 2226  heritage.org

in the California numbers—including all of the state's wealthy children.

The dramatic progress of Florida's minority students also becomes clear when comparing the progress made by Florida's low-income, minority children with the statewide average of all students in California. The average student in California has a socio-economic advantage over a low-income student living in Florida. For example, the median family income for a family of four in California was \$74,801 in 2006.¹⁸ The maximum income for a family of four eligible for the federal free and reduced-price school lunch program is \$39,200.

Despite the tremendous advantages that California students have in this comparison, Florida's low-income Hispanic students surpassed the statewide

18. U.S. Census Bureau, "Income—Median Family Income in the Past 12 Months by Family Size," 2006, at <http://www.census.gov/hhes/www/income/medincsizeandstate.html> (December 19, 2008).

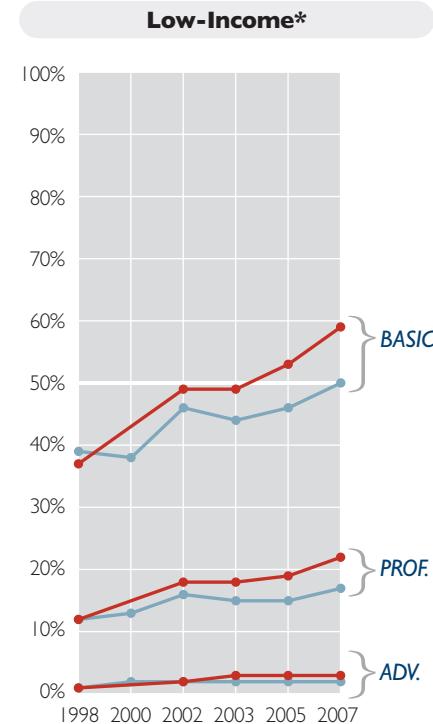
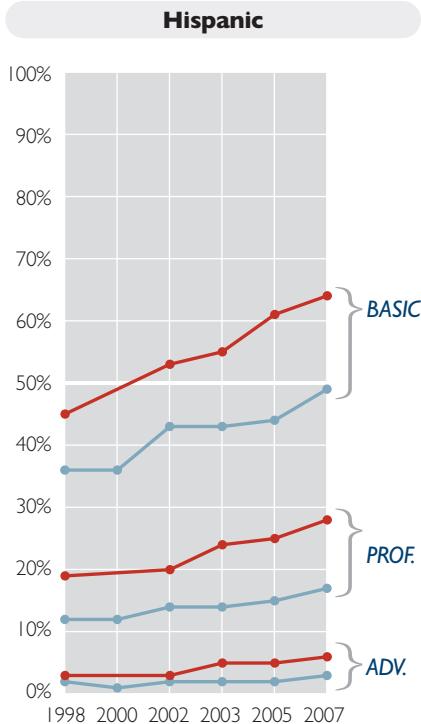
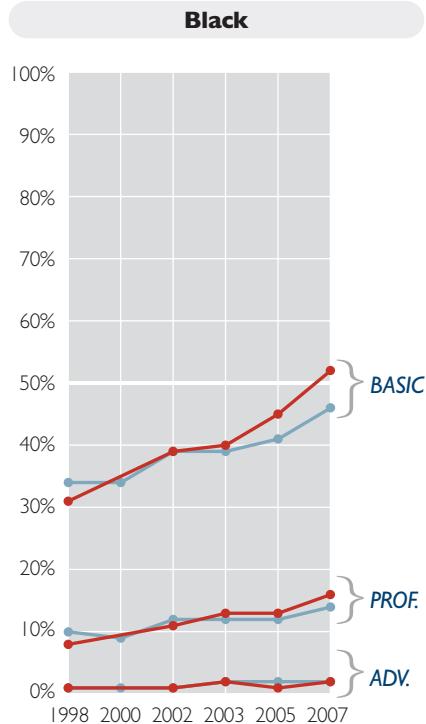
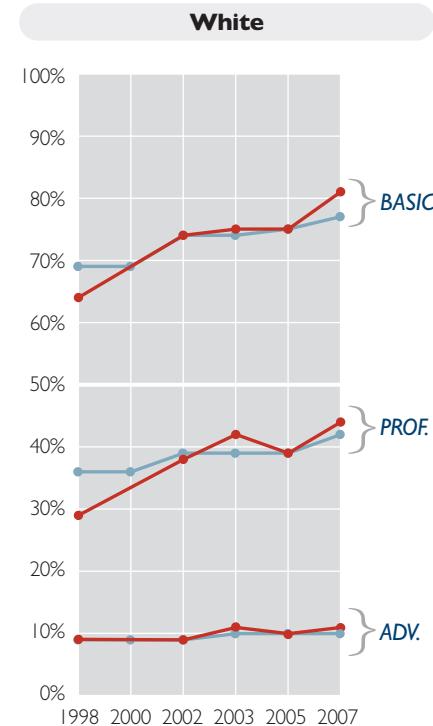
Comparing Florida's 4th-Grade Reading to the U.S. Average

Florida's 4th-grade reading levels exceeded U.S. averages, particularly among Hispanics, blacks, and low-income children.

KEY
● Florida
● U.S. average

BASIC At or above basic
PROF. At or above proficient
ADV. Advanced

Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer; at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).



Note: 4th-graders in Florida were not tested in 2000.

* Defined as those eligible for the national lunch program.

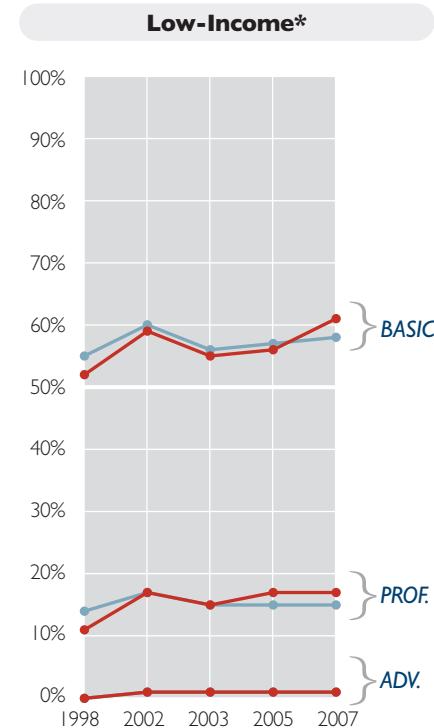
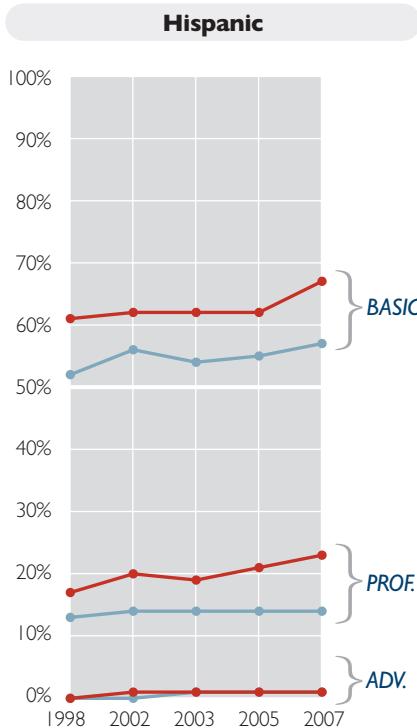
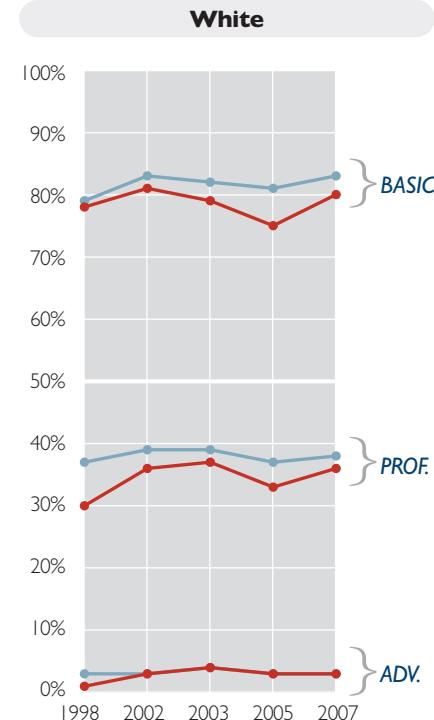
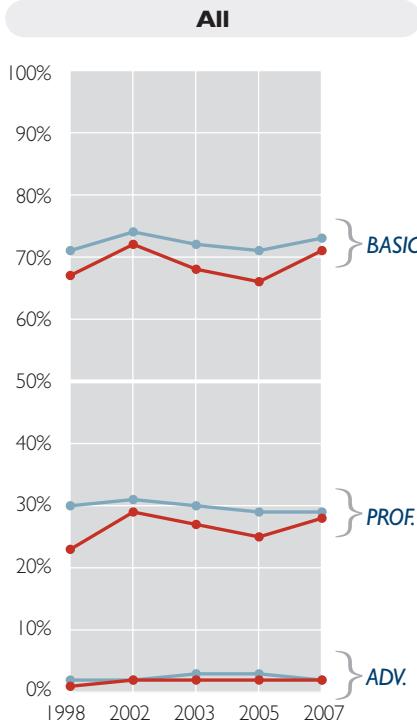
Chart 2 • B 2226 heritage.org

Comparing Florida's 8th-Grade Reading to the U.S. Average

KEY
● Florida
● U.S. average

BASIC At or above basic
PROF. At or above proficient
ADV. Advanced

Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer; at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).



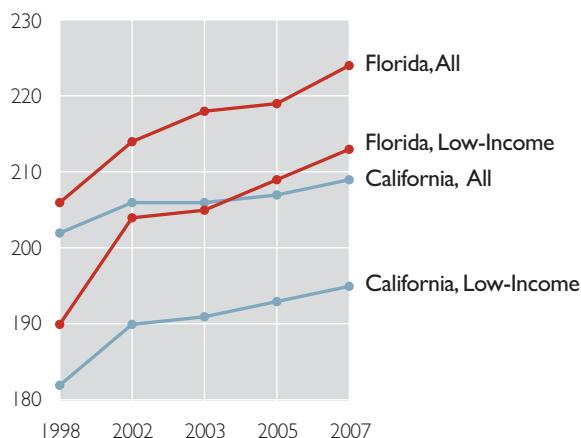
Note: Some "Advanced" scores have been rounded down to zero.

* Defined as those eligible for the national lunch program.

Chart 3 • B 2226 heritage.org

Florida's Low-Income Students Outperform California State Average

Florida schools are improving so rapidly that 4th-grade reading scores among its poor students are now better than the average reading scores for all students in California.



Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer, at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).

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average for all California students in 2005, and increased the size of their lead in 2007. Florida's low-income black students likewise started far behind the statewide average for California in 1998, and had closed the gap considerably by 2007. If both groups of students make the same amount of progress between 2007 and 2009 that they made between 2005 and 2007, Florida's low-income black students will tie the statewide average for all California students in 2009.

The progress made by minority students in Florida has been well above the national average, as Chart 5 demonstrates. On fourth-grade NAEP reading scores, Florida's Hispanic students had a six-

point lead over the national average for Hispanics in 1998, and expanded that lead to 14 points in 2007, despite the fact that the national average improved by 12 points. Florida's black students were six points behind the national average for black students in 1998, and 14 points ahead in 2007.

The extent of the progress made by Florida's Hispanic students becomes clear by comparing Hispanic fourth-grade students' reading NAEP scores with the statewide average of students in other states. As Map 1 demonstrates, Hispanic students in Florida now have higher NAEP reading scores than the statewide average score of students in fifteen states.

What Explains Florida's Progress?

Florida's progress in improving all students' academic achievement and reducing the achievement gap between ethnic-minority and white children warrants greater academic research to judge which reforms have had the greatest impact on students and classrooms. Given the scope of these reforms, it is impossible to isolate which specific reform has resulted in improvement. In all likelihood, a combination of these broad reforms is responsible for the state's improvement.

Researchers have, however, examined the specific reforms and reported positive benefits of individual reforms that highlight the promise of these reform strategies. Jay Greene and Marcus Winters of the University of Arkansas evaluated two years of the policy of ending social promotion and reported that "retained Florida students made reading gains relative to the control group of socially promoted students." Similarly, studies by the Manhattan Institute, the Urban Institute, and the Friedman Foundation reported positive benefits experienced by public schools from the state's accountability and choice reforms.¹⁹

19. See Cecilia Elena Rouse, Jane Hannaway, Dan Goldhaber, and David Figlio, "Feeling the Florida Heat? How Low-Performing Schools Respond to Voucher and Accountability Pressure," Urban Institute and Calder Center, 2007, at http://www.caldercenter.org/PDF/1001116_Florida_Heat.pdf (December 19, 2008); Jay Greene and Marcus Winters, "The Effect of Special Education Vouchers on Public School Achievement: Evidence From Florida's McKay Scholarship Program," Manhattan Institute Civic Report No. 52, April 2008, at http://www.manhattan-institute.org/html/cr_52.htm (December 19, 2008); and Greg Forster, "Lost Opportunity: An Empirical Analysis of How Vouchers Affected Florida Public Schools," Friedman Foundation for Educational Choice, March 2008, at <http://www.friedmanfoundation.org/friedman/downloadFile.do?id=284> (December 19, 2008).

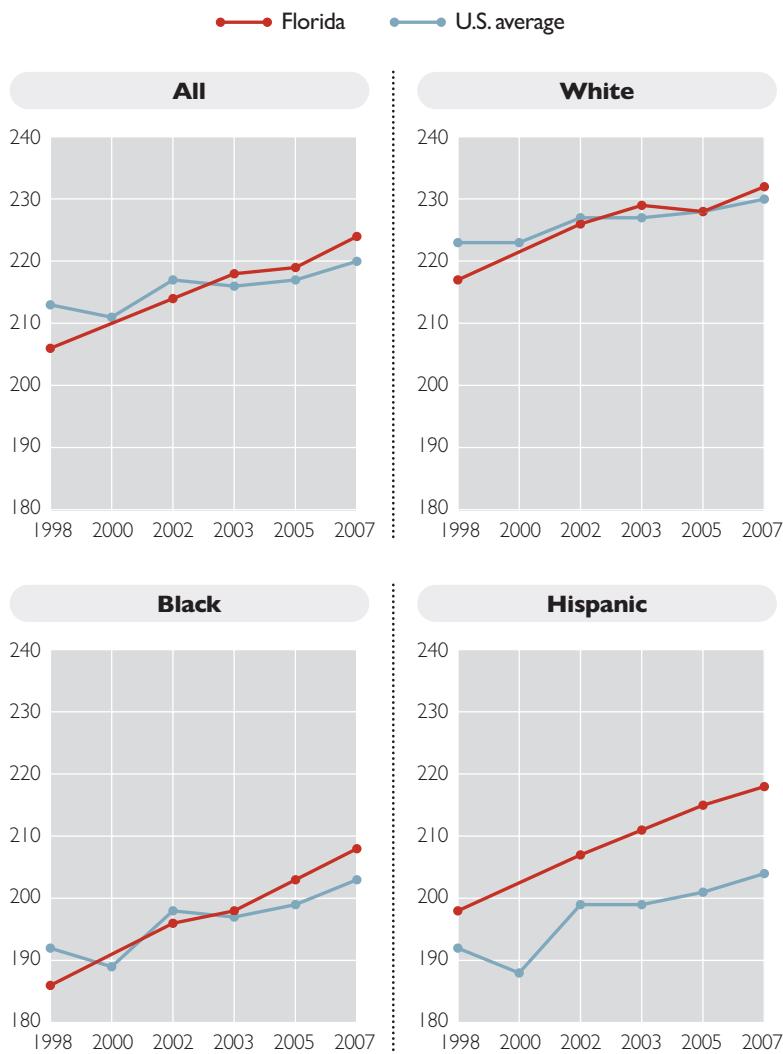
A 2003 Manhattan Institute study found that competition created by the pressure of school choice was leading to significant improvements in public schools: "Public schools currently facing voucher competition or the prospect of competition made exceptional gains on both the FCAT and the Stanford-9 test compared to all other Florida public schools and the other subgroups in our analysis."

In 2007, the Urban Institute published the results of a similar analysis of the effect of the A+ accountability and choice reforms on Florida's public schools. The analysts found that student achievement improved in schools labeled "F" in subsequent years. They also found that reforms undertaken by the low-performing public schools contributed to the improvement: "When faced with increased accountability pressure, schools appear to focus on low-performing students, lengthen the amount of time devoted to instruction, adopt different ways of organizing the day and learning environment of the students and teachers, increase resources available to teachers, and decrease principal control."

In 2008, the Friedman Foundation for Educational Choice studied the effect of the A+ accountability and choice program on public schools threatened by the possibility of losing children to other schools through the voucher option. The study evaluated the performance of public schools from 2001 to 2007. The extended time period analyzed in the study allowed the evaluation of how the elimination of the voucher option affected public school performance after 2006, when the vouchers were deemed unconstitutional and removed from the A+ program.

Florida's Hispanics Benefit the Most

In all three major racial groups, Florida's 4th-grade students posted better reading scores than the U.S. average. Florida Hispanics in particular widened their gap over the rest of the nation's Hispanics.



Note: 4th-graders in Florida were not tested in 2000.

Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer, at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).

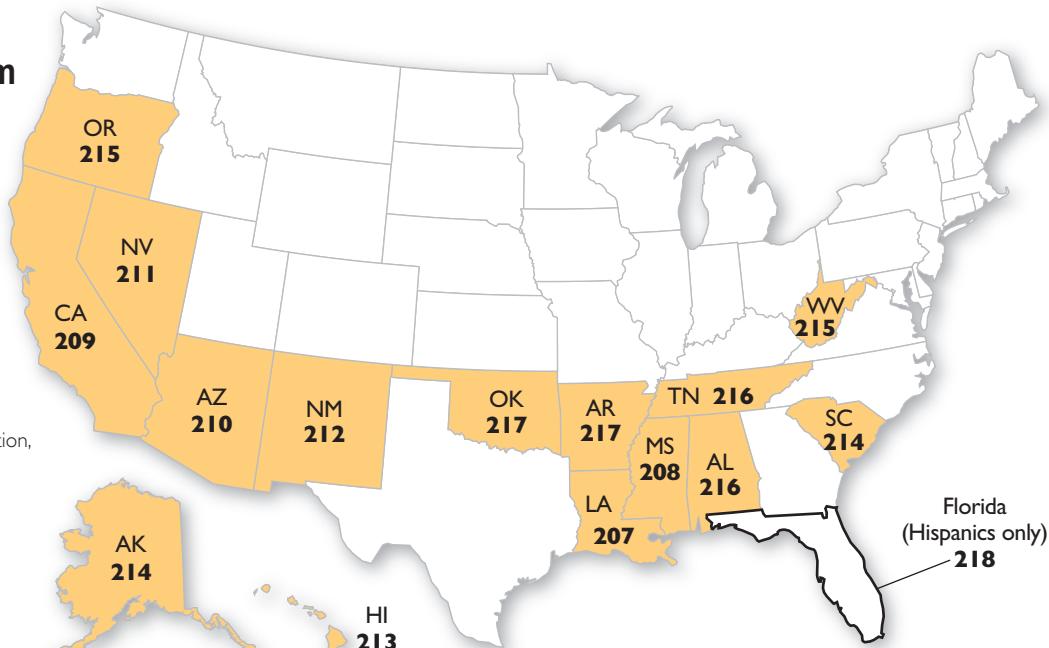
Chart 5 • B 2226  heritage.org

The Friedman Foundation reports that before vouchers were made available, the A+ program spurred modest improvement in public schools. But A+ produced dramatic gains in threatened public schools once vouchers were incorporated: "In

Florida Hispanic Students Outperform 15 Statewide Averages

Hispanic 4th-graders in Florida earned better reading NAEP scores (218) in 2007 than the average scores for students of all races in 15 other states.

Source: U.S. Department of Education, National Center for Education Statistics, NAEP Data Explorer, at <http://nces.ed.gov/nationsreportcard/naepdata> (January 5, 2009).



Map I • B 2226  heritage.org

2002–03,” the Friedman Foundation reports, “public schools whose students were offered vouchers outperformed other Florida public schools by 69 points.” In the years that followed, as voucher participation rates dropped due to procedural obstacles, the positive effect of competition was less significant. The study also found that “The removal of vouchers caused the positive impact on public schools to drop well below what it had been even in 2001–02, before vouchers were widely available.”

It is also important to consider whether other changes in the school environment, such as demographic trends, are responsible for Florida’s improved academic achievement. Our analysis suggests that there is no reason to believe that other factors are responsible for this improvement.²⁰

Why NCLB Threatens Florida’s Successful Reform

In 2007, former U.S. Deputy Secretary of Education Eugene Hickok and Matthew Ladner warned that NCLB’s goal of 100 percent proficiency by 2014 created an incentive for states to simply lower the bar for passing scores on state exams to show artificial progress.²¹ Growing evidence suggests that this “race to the bottom” in state academic standards and tests is indeed occurring. If unchanged, this perverse incentive threatens to undermine Florida’s standards-based reforms.

In 2007, the Thomas B. Fordham Foundation published *The Proficiency Illusion*, a report highlighting widespread problems in state testing and accountability systems.²²

20. For a discussion of possible alternative explanations for Florida’s test score improvement, see Lips and Ladner, “Demography Defeated: Florida’s K–12 Reforms and Their Lessons for the Nation,” pp. 8–9.

21. Hickok and Ladner, “Reauthorization of No Child Left Behind: Federal Management or Citizen Ownership of K–12 Education?”

22. John Cronin, Michael Dahlin, Deborah Adkins, and G. Gage Kingsbury, *The Proficiency Illusion*, Thomas B. Fordham Institute and Northwest Evaluation Association, October 2007, at: http://www.edexcellence.net/doc/The_Proficiency_Illusion.pdf (January 7, 2008).

Researchers have known for some time that most states have failed to set high academic standards, and have lowered their cut scores (the passing threshold on examinations) and otherwise allowed easier standards to pass their tests. *The Proficiency Illusion* also revealed that many states' proficiency standards lack internal consistency, such as Michigan's testing system, with low cut scores in early grades followed by higher cut scores in middle grades. The result is that students and schools may be labeled proficient in early grades and then quickly decline in later grades.

The Proficiency Illusion points out how NCLB's 2014 deadline for universal proficiency exacerbates this illusion of proficiency:

Policy groups from left, right, and center, including the estimable and hawkish Education Trust, now agree: this lofty aspirational objective is doing more harm than good. It has worsened the proficiency illusion. If Congress wants states like Michigan to aim higher, so that Mr. and Mrs. Smith know how Susie is really performing, the best thing it can do is to remove this provision from the law. With this perverse incentive out of the way, Michigan just might summon the intestinal fortitude to aim higher—and shoot straighter.²³

In 2008, Paul Peterson and Rick Hess issued the latest of three studies on state standards in *Education Next* by comparing state accountability exams to state performance on the NAEP, which provides a benchmark for academic transparency.²⁴ The authors had previously compared state and NAEP testing data for 2003 and 2005. They concluded that the 2007 comparison of state and NAEP testing "finds in the new data a noticeable decline, especially at the eighth-grade level.... In eighth-grade reading, for example, standards overall are down by 0.2 standard deviations. This means that, in 8th-grade

reading, states are reporting a substantial improvement that is not evident on the NAEP." Peterson and Hess conclude that:

Two years ago, we could see small evidence for a decline in standards but detected no race to the bottom. That is still true for 4th graders. But 8th-grade standards, if not exactly racing downward, are moving steadily away from world-class standards. Those responsible for NCLB reauthorization, as they struggle forward, should first and foremost establish a clear and consistent definition of grade-level proficiency in reading and math, even if it means giving up the cherished but decidedly unrealistic goal of proficiency for all students by 2014.²⁵

Will Safe Harbor Prevent a Race to the Bottom?

Starting in 2014, there will be two ways for districts and schools to avoid federal sanctions under No Child Left Behind. First, they can ensure that children reach the goal of 100 percent proficiency on state tests. Or, as a second alternative, they can meet federal guidelines known as "safe harbor." In essence, the "safe harbor" provision grants districts and schools a pass on Adequate Yearly Progress providing that the school or district reduces the number of children who score below "proficient" by 10 percent, and also achieves at least a 10 percent improvement in one of NCLB's subgroups.²⁶ If these requirements represented an obtainable standard, states presumably would not feel pressured to drop their cut scores.

Some researchers have claimed that the race to the bottom in state testing will be prevented by the "safe harbor" provision in NCLB. Our analysis suggests that this is not the case.

To examine whether a safe harbor provision would prevent an incentive for a race to the bottom,

23. *Ibid.*, p. 6.

24. Paul E. Peterson and Frederick M. Hess, "Few States Set World-Class Standards," *Education Next*, Vol. 8, No. 3 (Summer 2008), at <http://www.hoover.org/publications/ednext/18845034.html> (December 19, 2008).

25. *Ibid.*

26. Charlie Barone, "100% Bull\$#!% (Part Two)," Blog post on *Swift & Change Able*, June 9, 2008, at <http://swiftandchangeable.org/index.php/2008/06/09/title-5?blog=2> (December 19, 2008).

we considered how safe harbor would affect Florida's 67 school districts, where students (particularly minority children) have been making steady academic progress.

Table 1 (see Appendix) applies safe harbor to the overall performance of Florida districts for fourth-grade reading and math over the past six years without judging any of the required student subgroups, including children who are ethnic minorities, have limited English proficiency, or special needs. Based on our calculation of the data, Florida's districts failed to make the Adequate Yearly Progress required by safe harbor 71 percent of the time based on the overall fourth-grade results alone, without any consideration of subgroup performance. Inclusion of subgroup performance could only lower the percentage of districts achieving safe harbor. In addition, school districts must achieve safe harbor for a number of grade levels, not just fourth grade.

Year-to-year scores are quite volatile, even within the context of strong overall improvement. The scores improve, often by less than 10 percent, then regress, and then improve again. Getting overall math and overall reading scores to improve by 10 percent in the same year is rare. Only 29 percent of Florida districts make it over the fourth-grade hurdle. In fact, in 2008, only 6 percent of Florida districts made achievement gains that would qualify them for safe harbor based on overall results. NCLB judges school districts based on tests in grades three to eight, and one test in high school. Therefore, it seems very likely that none of Florida's districts would ever meet the Adequate Yearly Progress requirement provided by the safe harbor provision.

We will leave the debate over whether public schools *should* be able to routinely increase their passing rates by 10 percent year after year to others. The point is that they do *not* increase their passing rates by 10 percent annually, even in the nation's leading reform state.

The evidence suggests that NCLB will create a tremendous and perverse pressure on Florida and other states to weaken academic standards and lower the passing thresholds on state assessments. Ironically, a law aspiring first and foremost to create transparency in public education contains the

seeds of its own destruction: encouraging states to lower standards.

Lessons for Federal and State Policymakers

The experience of No Child Left Behind and Florida's sweeping education reforms should lead federal and state policymakers to the following lessons:

1. **Like previous federal interventions, NCLB has failed to deliver meaningful improvement in student learning.** The historic increase in federal funding for and authority over elementary and secondary education has not resulted in significant reform or improvement in America's schools.
2. **States can improve student learning by implementing systemic reforms.** Florida's experience suggests that aggressive education reforms to hold schools and students accountable for results, offer parents public and private school-choice options, strengthen instruction and mediation, and improve teacher quality can lead to significant progress in all students' academic achievement.
3. **The current system of NCLB's accountability regulations threatens to undermine state accountability reforms.** No Child Left Behind's 2014 deadline for 100 percent proficiency continues to encourage a "race to the bottom" by providing an incentive for states to lower academic standards and testing cut scores. Unless this provision is fixed, standards-based reform will be undermined across the country. Transparency for school performance and results will be lost.

What Members of Congress and State Policymakers Should Do

Given these lessons, Members of Congress and state policymakers should re-evaluate federal and state governments' current approach to improving public education. At the federal level, Congress and the incoming Administration should limit federal policymaking authority and transfer greater power back to the state and local levels. State policymakers should implement systemic education reform to

hold schools and students accountable for results, expand parental choice, and improve school and teacher effectiveness.

- **Specifically, Congress should reform No Child Left Behind to include a policy similar to the proposed charter option that would give states the opportunity to opt out of No Child Left Behind.** The opt-out option would allow every state to choose between the status quo and a simplified contractual arrangement in which the state would have broad authority to consolidate and refocus its federal funds on state-directed initiatives in exchange for monitoring and reporting academic progress to the public. The charter option would restore greater federalism in education, allowing state leaders to embrace innovative strategies according to their local needs, priorities, and reform philosophy while making them more directly responsible to parents and taxpayers for the results. In the 110th Congress, this option was promoted by both the Senate's and House of Representatives' A-PLUS Acts.²⁷
- **At the state level, policymakers should follow Florida's example and implement aggressive reforms to improve public education.** The Sunshine State's pioneering education reforms

appear to have a positive impact on student achievement. Initial evidence suggests that ending social promotion, increasing school accountability, and expanding parental choice are contributing to improved academic achievement and public school performance. State policymakers across the country should study Florida's model and implement similar systemic reforms.

Conclusion

Education reformers have worked for decades to eliminate achievement gaps and improve learning opportunities for all children. To date, the federal government's efforts, including No Child Left Behind, have failed to spur significant improvement. But a single decade of sweeping state-level reforms in Florida has demonstrated that improving academic achievement is possible. Education reformers at the federal and state levels should study Florida's experience and implement strategies that will facilitate promising state-level reforms.

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27. Dan Lips, "Reforming No Child Left Behind by Allowing States to Opt Out: An A-PLUS for Federalism," Heritage Foundation Backgrounder No. 2044, June 19, 2007, at <http://www.heritage.org/research/education/bg2044.cfm>.

APPENDIX

Safe Harbor Schools in Florida

Florida School Districts Making Safe Harbor, by Year, Based Upon Overall Math and Reading Results Alone, 2003–2008
(Based Upon Data from the Florida Department of Education and Author Calculation)

X — Made Safe Harbor in 4th Grade

District	2003	2004	2005	2006	2007	2008	District	2003	2004	2005	2006	2007	2008
Alachua			X				Lake	X					
Baker	X	X			X		Lee		X				
Bay	X	X					Leon	X					
Bradford	X						Levy	X					
Brevard		X					Liberty	X	X			X	
Broward		X					Madison					X	
Calhoun			X				Manatee	X					
Charlotte	X					X	Marion		X				
Citrus	X	X		X			Martin		X				
Clay	X	X					Monroe	X		X			
Collier	X						Nassau	X				X	
Columbia					X		Okaloosa	X		X		X	
Dade		X		X			Okeechobee			X			
DeSoto		X	X				Orange		X				
DiXie	X	X			X		Osceola	X					
Duval		X	X				Palm Beach		X				
Escambia	X	X					Pasco		X			X	
Flagler		X				X	Pinellas		X				
Franklin	X						Polk	X					
Gadsden	X						Putnam	X	X			X	
Gilchrist	X		X			X	St. Johns	X	X			X	
Glades		X					St. Lucie	X	X				
Gulf	X		X			X	Santa Rosa	X	X			X	
Hamilton	X	X			X		Sarasota					X	
Hardee			X		X		Seminole		X				
Hendry	X						Sumter		X				
Hernando	X	X			X		Suwanee						
Highlands		X	X				Taylor					X	
Hillsborough		X					Taylor					X	
Holmes	X						Union		X	X		X	
Indian River	X	X	X				Volusia						
Jackson	X	X				X	Walton		X	X		X	
Jefferson		X			X		Washington	X					
Lafayette		X	X										

Appendix Table I • B 2226  heritage.org